

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:4004
ANSWERED ON:17.05.2006
DEREGULATING PRICES OF COAL
Pathak Shri Brajesh

Will the Minister of COAL be pleased to state:

- (a) whether the Government has deregulated the prices of Coal mined by the Coal India Ltd. and its subsidiaries;
- (b) if so, the manner in which the interests of the consumers are likely to be protected; and
- (c) the profit earned by the State Government as a result of increased prices?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO)

(a) & (b) The prices of coal have been fully deregulated with effect from 01.01.2000. The Colliery Control Order, 2000 empowers coal companies to fix the coal prices taking into account the market forces, average cost of production and other relevant factors. Further, it has been decided that the Tariff Commission will be involved in pricing of coal for the power sector and to suggest modalities for pricing of coal for other sectors.

(c) Wherever the state taxes leviable on coal are assessed on ad-valorem basis, the buoyancy of revenue from such taxes would be dependant upon the nature of changes in the prices of coal.